

# Branham-Moloney merger announced

Two of the oldest and most prominent newspaper representative firms—Moloney, Regan & Schmitt Inc. which traces its history back to 1900, and The Branham Company established in 1908—will merge effective January 1. The new company will be Branham-Moloney.

The announcement of the merger which has been in the discussion and planning stage since mid-April was made this week by Herbert W. Moloney Jr., president of MRS, and Francis J. Stapleton, president of Branham. Operations and responsibilities of the two firms are being combined on an equal basis, they stated.

Moloney will become chairman of the board of Branham-Moloney with responsibility for corporate general management. Stapleton will be president in charge of sales management.

Branham-Moloney will be wholly-owned by its executives and employees as both organization are now. All stockholders will be active in the company.

## In divisional setup

Newspapers in 11 markets represented by MRS and the newspapers in another 41 markets represented by Branham will be divided into three groups in a divisional concept explained by Stapleton:

"Our basic sales philosophy will revolve around a multi-division operation in which we give our salesmen a better chance to do their most effective selling by limiting the number of newspapers for which they are responsible.

"We do not believe that a newspaper representative can do justice to the individual needs of a large list of metropolitan newspapers. We are the only newspaper representative organization to adopt the multi-division philosophy.

"In addition, we are putting a tremendous emphasis on the whole marketing area of creating new business for the newspapers that we represent. There are a number of very important areas that we can exploit for the benefit of our newspapers."

Two other representative firms recently merged into MRS—Jann & Kelley and Nelson Roberts—will continue to be operated as separate divisions of Branham-Moloney under those names. Thus, B-M will be comprised of five divisions,

The Newhouse Newspapers which have been represented for many years by the Newhouse Division of MRS will open their own office and handle their own representation after January 1.

## Employee stockholders

Branham-Moloney will be operated by a six-man executive committee which will be responsible to the board of directors comprised of employee stockholders. Besides Moloney and Stapleton the committee will include Edward T. Parmelee who will be executive vice-president and director of sales (a position he now holds with MRS); H. L. Ralls, executive vice-president and Southern regional manager (a position he now holds with Branham); Albert J. Engelhardt Jr., executive vice-president and mid-western regional manager (the title he now holds with Branham); and Robert Erickson, executive vice-president, Western regional manager, and general manager of the Jann & Kelley and Nelson Roberts Divisions. Erickson, who will be moving to San Francisco, was senior vice-president and mid-Western manager for MRS.

Branham-Moloney will maintain offices in 13 cities (San Francisco, Los Angeles, Detroit, Boston, Atlanta, Charlotte, Dallas, New Orleans, Chicago, Minneapolis, St. Louis, Kansas City and New York) with a sales staff of 67 men and a marketing, promotion, research and sales support group of 54 people. In addition, the J&K and Roberts Divisions will continue to operate with 39 salesmen and a support group of 42 people in 14 offices of their own.

Moloney stated "both companies have been active in retail, co-op and classified and we are pointing in the direction of being the total sales representative and consultant with our newspapers for all advertising matters. This, to us, is a most important concept because we are interested in getting advertising revenue for all the newspapers that we represent, no matter what the form."

The three new divisions of B-M will be known as the Blue, Red and Green divisions temporarily. Each will have its own sales staff. Parmelee will head up the Red and Blue divisions while Ralls will head the Green division. Each will be responsible for from one to five markets. James J. Cooner, vice-

president and a member of the Branham board, will head the Green division.

Parmelee explained that "group sales managers will direct the selling activities for a limited number of newspapers within the framework of our multi-division operation. Our group sales manager system provides the most effective sales leadership and permits the closest possible liaison with the advertising executives of the newspapers that we represent." He stated the staff would number 23 salesmen per market.

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